Exhibit J

(previously filed as Dkt. 647-10)

From: Jim Giles <jimgiles@google.com>
To: Eisar Lipkovitz <eisar@google.com>
Sent: Sat, 4 Nov 2017 15:59:33 -0400
Subject: Re: Rubicon margins
Cc: Jonathan Bellack <jbellack@google.com>, Payam Shodjai <pshodjai@google.com>, Chris LaSala <chrisl@google.com>, Sam Cox <samcox@google.com>, Suzanne Blackburn <suzblackburn@google.com>, Ali Nasiri Amini <amini@google.com>, Aparna Pappu <apappu@google.com>, Bahman Rabii <bahman@google.com>, Brad Bender <bradbender@google.com>, Paul Muret <muret@google.com>, Scott Sheffer <ssheffer@google.com>, Samuel Temes <temes@google.com>

I think the other important thing to keep in mind versus most SSPs is that we also have the ad server. I think pure SSP is definitely commoditizing (and ultimately, I think only SSPs that also have an ad server will survive), but the combination is still more unique and not trivial to do well. This is part of why we talked about shifting more of the sell-side fees back to the ad serving side, but until we shift things around, I think the combination of ad server / exchange plus data gives us cover for total costs that are higher than other exchanges.

On Sat, Nov 4, 2017 at 3:48 PM, Eisar Lipkovitz <eisar@google.com> wrote:

[hit send too soon]

While true that 20% for just sellside platform/exchange isn't likely justified by value, I equally don't think Rubicon or AN can run an actual business with 5% or even 10%.

I always liked the direction Payam advocates but until I see DBM actually charging for Google secret sauce anything but platform fee, I'd object to any changes on the sell-side. So Payam, the ball is in your court.

Lastly DBM+GDN is a massive source of Programmatic demand. AdX buyers are weakening not just on our media , and even the shining light, Criteo is now hurt by Apple.

Due to many advertisers friendly launches AdX share of DBM is rising rapidly more to offset AWBid buying 3P.

I'd like to better understand how much of the 3P revenue growth we contribute to

Eisar

On Nov 4, 2017 12:41 PM, "Eisar Lipkovitz" <eisar@google.com> wrote:

Firstly on the sell side, we don't need to follow this race to the bottom. For the foreseeable future I like the direction of discounting rate card for strategic pubs and innovating with Jedi and demand product while avoiding cannibalising our existing business.
While true that

Eisar

On Nov 4, 2017 7:50 AM, "Jonathan Bellack" <jbellack@google.com> wrote:

I like the direction of this discussion a lot, pending appropriate legal reviews etc. This also reinforces the value of good pipes like ours over header bidding, since one of the drivers for buyers to go to headers is to avoid the perceived high SSP fees.

On Nov 4, 2017 10:46 AM, "Payam Shodjai" <pshodjai@google.com> wrote:

A few years ago, we detected that Rubion and other major SSPs were charging DBM hidden buy-side fees. When we approached the offending SSPs, they immediately dropped these fees for us, because they knew how much revenue was at stake if we stopped buying on them. We know for a fact that they didn't turn off these buy-side fees for all DSPs and, as such, we've had some margin advantage over other DSPs when buying on 3P exchanges. It seems that they are now removing buy-side fees for all large DSPs, but keeping a "platform access fee" for smaller buyers. I think it's a pretty rational move on their part, because premium pricing/margins don't work for a commodity offering.
The article touches on the meta point which is that SSP margins are coming down, way down, because the technology, demand and supply that SSPs offer have been commoditized to a large extent. Rubicon's take home will be around 10% to 12% next quarter according to the article. If you look at what Amazon is doing with AAP (Amazon Advertising Platform) and header bidding, there will be even more pressure on the 10%. I think SSP margins will stabilize at around 5%. Maybe it will happen by this time next year or in early 2019. This creates an obvious dilemma for us. AdX is the lifeblood of our programmatic business. Without AdX margins, our programmatic business doesn't seem like a worthwhile endeavor. What do we do?

The "do nothing" option is obviously off the table. I also don't think we should try to milk our margins for as long as we can (whether it's through AdX or Demand Product), because we would be prioritizing short-term profits over long-term profits, and for a company our size, we can weather short-term dips. What if we did something courageous that leverages the fact that we have strong buy and sell-side offerings. We drop the AdX/Demand Product margin to a transparent 5% for **undifferentiated demand**. What I mean by undifferentiated demand is demand a publisher can get from through any SSP that doesn't leverage the use of proprietary data. For example, Ford can buy USA Today through DBM --> Rubicon, TTD --> AdX and many other DSP/SSP pairings. Without proprietary targeting/data, that demand isn't special and shouldn't command high margins. The pipes that deliver that demand should charge a "utility fee". Let's call it 5%. We can debate whether it should be 5% or 10%, but it doesn't change the overall approach.

Now let's look at what happens to our business if we move to a 5% fee for undifferentiated demand.

- **GDN Demand**: We can continue to charge our 32% fee. We bring differentiated demand and operate a network model. So there's no material margin loss to that part of the AdX business.
- **AdX Buyer Demand**: Our take rate plunges from around 20% to 5%. Yes, this is a big drop and it will hurt. 2018 forecast for AdX Buyer revenue is $1.8B growing at 2% yoy.

Net revenue would go from $360M to $90M, for a total loss of $270M. However, demand/performance would likely increase significantly if we drop margins to 5%. So total net revenue loss might be closer to $150M. This is just a swag and we should validate.

- **DBM Demand**: For undifferentiated DBM demand, AdX takes 5%. For differentiated DBM demand (i.e. demand where DBM uses proprietary Google data and targeting), AdX take a non transparent margin on top of the 5%. We don't disclose this margin and it's dynamic, but our average take rate may well surpass 20% for differentiated DBM demand. We need to do some analysis to figure out what the all-in net revenue impact would be for DBM demand, but the use of Google data on AdX is pretty popular in DBM because it performs and we don't charge for it! Over time, we can play with margins to make this revenue stream margin-neutral compared to today's AdX margin -- and even surpass 20% over time.

The message to the market would be: AdX/DP is now charging 5% for basic demand -- what is your SSP charging you? For differentiated demand where proprietary Google data is used, we use a network model. Since sellers can't get Google differentiated demand elsewhere, the additional margin we charge shouldn't play a factor. This is all extra demand and publishers can choose to accept it or not.

The second order effects of this strategy would be quite positive for Google, but those are best discussed in person.

Just a few early morning thoughts!

On Sat, Nov 4, 2017 at 8:02 AM, Jonathan Bellack <jbellack@google.com> wrote:

Their stock price dropped 40%.

The other thing going on is push for transparency about pricing. We should be prepared to explain clearly there are no buyside fees for AdX buyers, how DBM fees work, and how GDN revshare works on AdX. We have had publisher questions about this and now the press is asking Suzanne to clarify our position.

The team started a good doc on this earlier in the year, but it was never approved for sharing. We should finish this work.

https://docs.google.com/document/d/12pm_UfX0AWeRUXh7THrTrWKNTzps8uIlWuwWJ-J08GM

On Sat, Nov 4, 2017 at 7:40 AM Chris LaSala <chrisl@google.com> wrote:

Knowing Barrett's strategy, he's probably hoping to accrue more spend from buyers, reverse the decline in revenue and quickly find a buyer before it is too late. So yes, desperate.
But this price pressure is probably likely to be a trend, where the exchanges that do not have some special asset (like data fueled walled garden) will have to compete on features, price and agnosticism. We can beat them on features, we should not follow them on price (yet anyway - topic for another thread)...so that leaves agnosticism..where Suzanne in PR tells us that she is hearing rumblings of AppNexus making a big push here (don't trust the walled gardens).

On Sat, Nov 4, 2017 at 1:37 AM, Eisar Lipkovitz <eisar@google.com> wrote:

Seems crazy and desperate to me.
https://adexchanger.com/platforms/rubicon-project-eliminates-buy-side-fees/

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Eisar

"Interested in opportunities in Display Ads? : go/dvaa-mobility"

https://memegen.googleplex.com/5246758434635776

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-- Jonathan Bellack / jbellack@google.com
Director, Product Management / Publisher Ad Platforms